

BUSINESS REPORT

**MONTANA SENATE
62nd LEGISLATURE - REGULAR SESSION**

SENATE ENERGY AND TELECOMMUNICATIONS COMMITTEE

Date: Thursday, March 10, 2011
Place: Capitol

Time: 3:00 PM
Room: 317-C

BILLS and RESOLUTIONS HEARD:

HB 59 - Revise renewable portfolio standard to include hydropower expansions
HB 78 - Clarify the definition of "local owner" in Renewable Portfolio Standard
HB 237 - Revise renewable resource standard laws to eliminate certain requirements

EXECUTIVE ACTION TAKEN:

HB 59 - BE CONCURRED IN AS AMENDED
HB 78 - BE CONCURRED IN

Comments:

A handwritten signature in black ink, appearing to read "Alan Olson", written over a horizontal line.

SEN. Alan Olson, Chair

DATE: 3/10/2011

[illegible]



SENATE STANDING COMMITTEE REPORT

March 10, 2011

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Mr. President:

We, your committee on **Energy and Telecommunications** recommend that **House Bill 78** (third reading copy -- blue) **be concurred in.**

Signed: 
Senator Alan Olson, Chair

To be carried by Senator Llew Jones

- END -

Committee Vote:

Yes 12, No 0

Fiscal Note Required ☐

HB0078001SC03881.sdr

OR



SENATE STANDING COMMITTEE REPORT

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Mr. President:

We, your committee on **Energy and Telecommunications** recommend that **House Bill 59** (third reading copy -- blue) **be concurred in as amended.**

Signed: 
Senator Alan Olson, Chair

To be carried by Senator Chas Vincent

And, that such amendments read:

1. Page 4, line 23.

Strike: "October 1, 2011"

Insert: "January 1, 2012"

2. Page 4.

Following: line 25

"COORDINATION SECTION. Section 3. Coordination

instruction. If Senate Bill No. 109 and [this act] are both passed and approved, then the sections amending 69-3-2003 are void and 69-3-2003 must be amended as follows:

"69-3-2003. Definitions. As used in this part, unless the context requires otherwise, the following definitions apply:

(1) "Ancillary services" means services or tariff provisions related to generation and delivery of electric power other than simple generation, transmission, or distribution. Ancillary services related to transmission services include energy losses, energy imbalances, scheduling and dispatching, load following, system protection, spinning reserves and nonspinning reserves, and reactive power.

(2) "Balancing authority" means a transmission system control operator who balances electricity supply and load at all times to meet transmission system operating criteria and to provide reliable electric service to customers.

(3) "Common ownership" means the same or substantially similar persons or entities that maintain a controlling interest

Committee Vote:

Yes 10, No 2

Fiscal Note Required __

OK

in more than one community renewable energy project even if the ownership shares differ between two community renewable energy projects. Two community renewable energy projects may not be considered to be under common ownership simply because the same entity provided debt or equity or both debt and equity to both projects.

(4) "Community renewable energy project" means an eligible renewable resource that:

(a) is interconnected on the utility side of the meter in which local owners have a controlling interest and that is less than or equal to 25 megawatts in total calculated nameplate capacity; or

(b) is owned by a public utility and has less than or equal to 25 megawatts in total nameplate capacity.

(5) (a) "Competitive electricity supplier" means any person, corporation, or governmental entity that is selling electricity to small customers at retail rates in the state of Montana and that is not a public utility or cooperative.

(b) The term does not include governmental entities selling electricity produced only by facilities generating less than 250 kilowatts that were in operation prior to 1990.

(6) "Compliance year" means each calendar year beginning January 1 and ending December 31, starting in 2008, for which compliance with this part must be demonstrated.

(7) "Cooperative utility" means:

(a) a utility qualifying as an electric cooperative pursuant to Title 35, chapter 18; or

(b) an existing municipal electric utility as of May 2, 1997.

(8) "Dispatch ability" means the ability of either a balancing authority or the owner of an electric generating resource to rapidly start, stop, increase, or decrease electricity production from that generating resource in order to respond to the balancing authority's need to match supply resources to loads on the transmission system.

(9) "Electric generating resource" means any plant or equipment used to generate electricity by any means.

(10) "Eligible renewable resource" means a facility either located within Montana or delivering electricity from another state into Montana that, except as provided in subsection

(10)(d)(ii), commences commercial operation after January 1, 2005, and that produces electricity from one or more of the following sources:

(a) wind;

(b) solar;

(c) geothermal;

(d) (i) water power, in the case of a hydroelectric project that:

~~(i) does not require a new appropriation, diversion, or impoundment of water and that has a nameplate rating of 10 megawatts or less; or~~

~~(ii) is installed at an existing reservoir or on an existing irrigation system that does not have hydroelectric generation as of April 16, 2009, and has a nameplate capacity of 15 megawatts or less;~~

(ii) water power in the case of a hydroelectric project that is an expansion of a hydroelectric project that commenced commercial operation before December 31, 2004, that increases generation capacity on or after [the effective date of this act]. The eligible renewable resource includes only the actual amount of increased generation capacity produced by the project as a result of the expansion.

(e) landfill or farm-based methane gas;
(f) gas produced during the treatment of wastewater;
(g) low-emission, nontoxic biomass based on dedicated energy crops, animal wastes, or solid organic fuels from wood, forest, or field residues, except that the term does not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chroma-arsenic;

(h) hydrogen derived from any of the sources in this subsection (10) for use in fuel cells;

(i) the renewable energy fraction from the sources identified in subsections (10)(a) through (10)(j) of electricity production from a multiple-fuel process with fossil fuels; and

(j) compressed air derived from any of the sources in this subsection (10) that is forced into an underground storage reservoir and later released, heated, and passed through a turbine generator.

(11) "Local owners" means:

(a) Montana residents or entities composed of Montana residents;

(b) Montana small businesses;

(c) Montana nonprofit organizations;

(d) Montana-based tribal councils;

(e) Montana political subdivisions or local governments;

(f) Montana-based cooperatives other than cooperative utilities; or

(g) any combination of the individuals or entities listed in subsections (11)(a) through (11)(f).

(12) "Nonspinning reserve" means offline generation that can be ramped up to capacity and synchronized to the grid within 10 minutes and that is needed to maintain system frequency stability during emergency conditions, unforeseen load swings, and generation disruptions.

(13) "Public utility" means any electric utility regulated by the commission pursuant to Title 69, chapter 3, on January 1, 2005, including the public utility's successors or assignees.

(14) "Renewable energy credit" means a tradable certificate of proof of 1 megawatt hour of electricity generated by an eligible renewable resource that is tracked and verified by the commission and includes all of the environmental attributes associated with that 1 megawatt-hour unit of electricity

production.

(15) "Seasonality" means the degree to which an electric generating resource is capable of producing electricity in each of the seasons of the year.

(16) "Small customer" means a retail customer that has an individual load with an average monthly demand of less than 5,000 kilowatts.

(17) "Spinning reserve" means the online reserve capacity that is synchronized to the grid system and immediately responsive to frequency control and that is needed to maintain system frequency stability during emergency conditions, unforeseen load swings, and generation disruptions.

(18) "Total calculated nameplate capacity" means the calculation of total nameplate capacity of the community renewable energy project and other eligible renewable resources that are:

- (a) located within 5 miles of the project;
- (b) constructed within the same 12-month period; and
- (c) under common ownership."

Renumber: subsequent sections

- END -

MONTANA STATE SENATE
Roll Call Vote
ENERGY & TELECOMMUNICATIONS COMMITTEE

DATE 3/10/2011 BILL NO. 58 MOTION NO. _____
MOTION: _____

NAME	AYE	NO	If Proxy Vote, check here & include signed Proxy Form with minutes
SENATOR VERDELL JACKSON, VICE CHAIR	✓		
SENATOR SHANNON AUGARE	✓		
SENATOR RON ERICKSON		✓	✓
SENATOR JEFF ESSMANN	✓		
SENATOR BOB LAKE	✓		
SENATOR LYNDA MOSS		✓	
SENATOR JASON PRIEST	✓		
SENATOR MITCH TROPILA	✓		
SENATOR KENDALL VAN DYK	✓		
SENATOR CHAS VINCENT	✓		
SENATOR EDWARD WALKER	✓		✓
SENATOR ALAN OLSON, CHAIR	✓		

MONTANA STATE SENATE
Roll Call Vote
ENERGY & TELECOMMUNICATIONS COMMITTEE

DATE 3/16/2011 BILL NO HB 59 MOTION NO. 1
 MOTION: _____

Amendment 1

<u>NAME</u>	<u>AYE</u>	<u>NO</u>	If Proxy Vote, check here & include signed Proxy Form with minutes
SENATOR VERDELL JACKSON, VICE CHAIR		✓	
SENATOR SHANNON AUGARE	✓		
SENATOR RON ERICKSON	✓		
SENATOR JEFF ESSMANN		✓	✓
SENATOR BOB LAKE		✓	
SENATOR LYNDA MOSS	✓		
SENATOR JASON PRIEST		✓	
SENATOR MITCH TROPILA	✓		
SENATOR KENDALL VAN DYK	✓		
SENATOR CHAS VINCENT		✓	
SENATOR EDWARD WALKER		✓	✓
SENATOR ALAN OLSON, CHAIR		✓	

AUTHORIZED SENATE COMMITTEE PROXY

I, Senator Edward Walker, request to be excused from the
Energy and Telecommunications
COMMITTEE

due to my other commitment. I desire to leave my proxy vote with:

Vice Chair Verdell Jackson

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO
HB 59	X	
amendment HB 0059 03		X
@1	X	
Conceptual Amendment	X	
HB 98	X	

BILL/AMENDMENT	AYE	NO

Sen. Edward Walker
(Signature)

Date 3/10/2011

**AUTHORIZED
SENATE COMMITTEE PROXY**

I, Senator Jeff Essmann, request to be excused from the

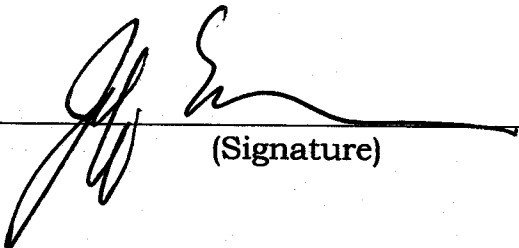
**Energy and Telecommunications
COMMITTEE**

due to my other commitment. I desire to leave my proxy vote with:

Vice Chair Verdell Jackson

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO	BILL/AMENDMENT	AYE	NO
HB 59	X	X			
Amendment HB 005903		X			
01	X				
Conceptual amendment	X				
HB 93	X				

Sen.  (Signature)

Date 3/10/2011

HB 237 - Revise renewable resource standard laws to eliminate certain requirements

HB 237

PLEASE PRINT

[illegible]

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

SENATE ENERGY AND TELECOMMUNICATIONS COMMITTEE

Sponsor: Representative Rob Cook

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

MONTANA STATE SENATE
Visitors Register
SENATE ENERGY AND TELECOMMUNICATIONS COMMITTEE

Thursday, March 10, 2011

HB 59 Revise renewable portfolio standard to include hydropower expansions
 Sponsor: Representative Tony Belcourt

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Name	Representing	Support	Oppose
Stacey Kiehn	Conf. Salish and Kootenai Tr.	✓	
Gary Wiens	MONTANA ELEC. Co-ops Assoc.	✓	
Dan Flynn	IBEW	✓	
Don Allen	WEFA	✓	
Jesse Luther	MT Contractors Assoc.	✓	
Shella Dabic	MonPIRG	✓	
Jon Bennison	MT Chamber	✓	
Shaun Tatanka	Great Falls Dev. Authority	✓	
DAVID HOFFMAN	PPL MT	✓	
Chris Carras	MT AFL-CIO	✗	
Cathy Renk	MT Audubon	✗	
Kate French	Northern Plains Resource Council	x	
Mark Destal	citizen	x	
Ronda Wiggers	GF Chamber	x	

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.